Bot 7 - Wilder 33 SECT

## CIA HISTORICAL REVIEW PROGRAM RELEASE AS SANITIZED

1997

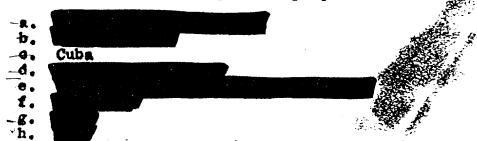
2 Dec 59

1 December 1959

MEMORANDUM FOR THE RECORD

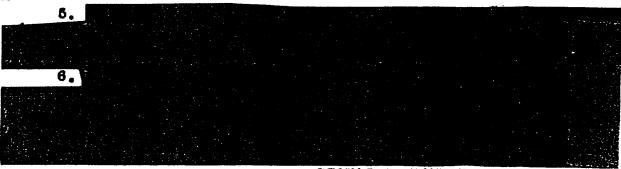
SUBJECT: WSC Meeting (425th), 1 December 1959

1. The following briefings were prepared:



2.

4. He then presented the Cuban paper, adding to it material on the implications of Guevara's new position included in a paper prepared for him by J.C. King.



THOMAS J. PATTON.

SECRET

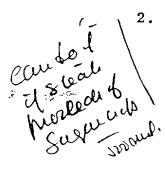
NOT RELEVANT

CUBA

- I. 26 November government shakeup is latest move by regime in its rapid trend to the left.
  - A. Shakeup brings pro-Communist "Che" Guevara, even more to the fore as new head of National Bank. We place of Pasos-

Fre S.D. www. way

- 1. Guevara, 31-year-old Argentine soldier-of-fortune, is now in position to implement his precept that, to become truly independent, Cuba must shift pattern of trade away from dependence on US.
- 2. Guevara has no economic background and has concept of Cuban revolution as a class struggle that will change economic structure and social system.
- 3. New minister of public works, Osmani Cienfuegos, is probably a Communist.
- 4. Officials replaced are relative moderates; others likely soon to be replaced.
- B. Communist-influenced National Agrarian Reform Institute (INRA) becoming all-powerful.
  - I. INRA's pro-Communist director said at a closed meeting in early October that the Institute is the "real government of Cuba," according to a new CIA source who



At the meeting Fidel Castro said he would obtain funds necessary for INRA since through it the govt will control the entire economy.

SECRET

- 3. INRA expropriations and other activities to date do indeed suggest plans to control production and sale of all agricultural commodities, cattle, minerals, petroleum, and other raw materials.
- 4. Lands taken are organized as state-owned cooperatives, not given to peasants as promised by Castro.
- C. On the surface Castro seems to have received a setback in Cuban Labor Federation elections for executive council last week, but Communists remain strong in labor.
  - David Salvador, who has record of cooperation with Communists, remains Fidel Castro's hand-picked secretarygeneral of the labor federation.

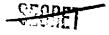
CIA HISTORICAL REVIEW PROGRAM RELEASE IN FULL 1997

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT:

Latest Estimate of the Current Situation in Cuba.

- 1. This memorandum is for the Director's information only.
- 2. The appointment of Ernesto Che Guevara as President of the National Bank confirms the last estimate presented to the DCI, which announced Castro's intention of making every unit of the Cuban Government subordinate to the Agrarian Reform Institute. Guevara's assumption of this position could easily be the first step towards the nationalization of all banks in Cuba and the issuance of worthless bonds in exchange for deposits now in the banks.
- 3. January 15th is a crucial date in Cuba. By then the harvest will be in. If Castro can collect for the entire harvest he will have about \$500,000,000 to pour into the government, i.e. the Agrarian Reform Institute. In previous years this money was available to private citizens.
- 4. In Cuba today there are various opposition groups scattered throughout the country. One group which, although in widely separated parts of the island, is in strong opposition to Castro is made up of the twenty thousand-plus ex-officers and ex-soldiers of Batista's army who, if not in jail, cannot get work because they are classified as enemies of the state. However, the only cohesive military group which is opposed to



Fidel Castro is composed of some twenty-seven hundred men in the Dominican Republic under the command of General Pedraza. Pedraza appears to be the only military officer of high rank with an organized following. Pedraza is not too closely linked with Batista, as he was retired from active service by Batista in 1952, when Batista took over power from Prio. He was pressed back into active service towards the end of the revolution.

5. Pedraza has told opposition leaders that he would lead an armed force against Castro and, if successful, would obey the civil authorities who took over from the Castro government.

C. King Chief, WHD